

**American Recovery and Reinvestment Act (ARRA)
Maryland ARRA Project File Review under the
Clean Water State Revolving Fund
October 13 and 14, 2009**

The ARRA Project File review was conducted for the Maryland Clean Water State Revolving Fund (CWSRF) Program on October 13 and 14, 2009. Four projects were reviewed using EPA's ARRA Project File Review Checklist, and included:

- Baltimore County



The review was conducted at the Maryland Water Quality Financing Administration (WQFA) office in Baltimore, Maryland.

General Comments

1. WQFA is using grants for projects that are funded by ARRA unless they are projects that are receiving funds from both ARRA and the base SRF program. WQFA made this choice because it determined that it would be easier to provide subsidy as a grant rather than principle forgiveness, except where a project receives blended funds.
2. In its bid solicitations, MDE includes an "Insert" that documents all of the ARRA requirements, including details about Davis Bacon and Buy American. The grant agreements all contain general conditions that require the grant recipient to comply with all ARRA requirements, but not all ARRA requirements are found on the grant agreement specifically (e.g., Davis Bacon requirements).
3. The grant agreements contain a provision indicating that the agreement will terminate "automatically" if the project fails to proceed in a timeframe consistent with ARRA requirements for all funds to be under contract or construction by February 17, 2010.
4. For the State Environmental Review Process (SERP), the Maryland State Clearinghouse reviews all projects to determine compliance with all crosscutters, and WQFA receives the final determination from the Clearinghouse regarding compliance with the crosscutters. The Clearinghouse also takes care of the public comment process.

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5. There was no evidence in any of the project files that the ARRA logo was posted at any of the project sites. It is still early for most of these projects, but Maryland was reminded of the need to ensure that the logo is posted as the projects begin construction.

Baltimore County

- The file contained a signed pre-application and grant agreement, and qualifies as a categorical Green Project Reserve (GPR) project.
- All technical documents required for this project were submitted and have been reviewed and approved by the State.
- The State Environmental Review Process (SERP) was completed and the project received a Finding of No Significant Impact (FNSI). No invoices for the project had been submitted at the time of review.

[REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]

[REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]

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- [REDACTED]
- [REDACTED]
 - [REDACTED]
 - [REDACTED]

Transaction Testing

- At the time of the review, Maryland's CWSRF program had two administrative draws from its ARRA grant for salaries, fringe benefits and overhead. Timesheets were reviewed as well as Maryland's negotiated rate agreement for FY 2009.
- Maryland had one cash draw of \$18,000 for the Mountain Lake Park project.

In our opinion, all costs associated with the above draws are eligible for ARRA SRF funding.

Recommended Corrective Actions

Based on our review of the four selected ARRA project files, no corrective actions are recommended at this time.

ARRA Project File Review Checklist

For Regional Review of State SRF Programs

State Maryland

Reviewer Emily Pickren and Brian Whittaker

Project Baltimore County DEP

CWSRF

Review Date October 13-14, 2009

Review Item		Yes	No	N/A	Description/Comments
General Eligibility	Project was included in an approved IUP and PPL	x			Preapplication and grant agreement
	There is a Priority Ranking Worksheet documenting the project's rank in accordance with the state's approved Project Priority System or Integrated Project Priority System?	x			
	File contains a signed application from the recipient	x			
	The assistance recipient is eligible for CWSRF or DWSRF assistance	x			
	As described in the file, the project is eligible for CWSRF or DWSRF financing	x			
	All technical documents required by the state for the type of project have been submitted (pre-engineering report, plans & specs etc.)	x			
	The technical documents were reviewed and approved by the state in accordance with their established procedures	x			
	ARRA: The project and recipient are eligible for ARRA funding (e.g., no zoos, casinos, golf courses, land purchase etc.)	x			
	ARRA: All funds are under contract or construction by February 17, 2010	x			
	ARRA: For refinance projects, the initial debt was incurred between October 1, 2008 and February 17, 2009			x	
Green	ARRA: The project description in the technical documents (files) supports the project classification as eligible for the Green Project Reserve (either categorical or with a business case)	x			
	ARRA: File includes a Business Case [for non-categorical green projects]			x	
	File includes supporting documentation for the Business Case			x	
	File includes the State's analysis of the Business Case			x	
	State's analysis supports the project's inclusion in the GPR	x			
CBR/PBR	The project file documents the anticipated environmental and public health benefits of the project	x			
	The CBR/PBR data is accurate and complete compared to the project file documentation	x			
	The CBR/PBR information was entered in a timely fashion (original entry within one week of closing, with quarterly updates)	x			
State Environmental Review	The project is subject to the State Environmental Review Process (SERP) [if it is a nonpoint source project and not subject to the SERP, mark question N/A and proceed to next section]			x	NPS Project
	CE: Project file includes evidence of the State's decision to grant the project a CE			x	
	For projects that did not qualify for a CE, the State ensured compliance with the following requirements:				
	Correspondence from the appropriate Federal or State agency				
	Explanation of required mitigation measures			x	
	State environmental assessment document				
	State FNSI document				
	State correspondence				
	Project required an EIS			x	

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For Regional Review of State SRF Programs

Review Item		Yes	No	N/A	Description/Comments
	File contains documentation of compliance with the Endangered Species Act, including state equivalents			x	
	File contains documentation of concurrence from the State Historic Preservation Office			x	
	File contains documentation of compliance with the Wild and Scenic Rivers Act			x	
	File contains documentation of compliance with the Coastal Zone Management Act			x	
	File contains documentation of compliance with the Coastal Barriers Resources Act (Louisiana and Texas only)			x	
	File contains documentation of compliance with the Farmland Protection Act			x	
	File includes documentation assessing the possible location of wetlands in the project area			x	
	File includes documentation assessing the possible location of floodplains in the project area			x	
	File includes documentation showing compliance with the Clean Air Act			x	
	File includes evidence of consultation with the State groundwater program office or EPA Regional Office of Groundwater to identify any EPA-designated sole source aquifers in the vicinity of the project			x	
Socio-Economic & Other	Project file describes the population characteristics of the area to be impacted by the project			x	
	The recipient certified that service shall not be denied to any person on the basis of race, color, income, or national origin	x			
	Project file includes an analysis of site impacts on various socio-economic groups			x	
	Project file includes a certification regarding compliance with EEO and Non-Segregated activities	x			
	State determined that neither the loan recipients, prime contractors, nor subcontractors have been listed as Suspended or Debarred	x			
	Project file includes an analysis of other sites considered, as appropriate			x	
Public Notice	Project file includes an analysis of other projects considered, as appropriate			x	
	File included evidence of public notification of a FNSI/CE/EA			x	NPS Project
	The comment period was in accordance with state procedures			x	
	The state addressed all comments appropriately			x	
	State's analysis supports the project's inclusion in the GPR	x			
	ARRA: The state certification was posted on the website	x			
	Project file contains RFP/bid documentation	x			
	Project file includes documentation that the State has reviewed and approved the RFP/bid solicitation document(s)	x			
	Project file includes tabulation of bids	x			
	Selected bid is included in the file	x			
	If other than the lowest bid was selected, an explanation is included in the file			x	Lowest bid selected
	The municipality complied with DBE regulations	x			

ARRA Project File Review Checklist
For Regional Review of State SRF Programs

	Review Item	Yes	No	N/A	Description/Comments
Bid & Procurement	The RFP/bid solicitation includes the statement from Appendix A to the DBE regulations**	x			Included in MDE Insert assistance recipients are required to include in bid solicitation
	The RFP/bid solicitation provides forms 6100-2, 6100-3 and 6100-4	x			Included in MDE Insert assistance recipients are required to include in bid solicitation
	The procurement was advertised for at least 30 days	x			
	Assistance recipient has submitted semi-annual DBE reports on subcontracting procurements to the state [DBE form 5700-52A or equivalent] (note: these forms may be located elsewhere)			x	
	The RFP/bid solicitation or advertisement included Equal Employment Opportunity and Anti-Discrimination provisions	x			Included in MDE Insert assistance recipients are required to include in bid solicitation
	ARRA: The RFP/bid solicitation includes Buy American terms and conditions	x			Included in MDE Insert assistance recipients are required to include in bid solicitation
	ARRA: Bid submittals include a statement or certification regarding compliance with Buy American Requirements			x	MDE needs to see contract
	ARRA: Construction contracts include Buy American terms and conditions (note: states are not required to obtain copies of contracts)	x		x	See contract
	ARRA: For projects with a BA national waiver, the file includes proper documentation			x	
	ARRA: For projects needing a project specific BA waiver, the waiver is included in the project file			x	
D-B & Logo	ARRA: The contract/RFP/bid solicitation include Davis-Bacon requirements	x			Included in MDE Insert assistance recipients are required to include in bid solicitation
	ARRA: For assistance recipients that are non-profit organizations: The state obtained and reviewed wage determinations prior to bid advertisements to ensure compliance with Davis-Bacon requirements			x	
	ARRA: Project file includes weekly documentation from the assistance recipient indicating compliance with Davis-Bacon	x			Certified payrolls and certificate of compliance included for this project
	ARRA: Project file includes completed SF1445 Davis-Bacon interview forms (note: state is not required to complete these but may as part of inspections)			x	will be confirmed as part of an inspection
	ARRA: Project file includes quarterly reports on job creation and retention	x			
Reports	ARRA: project file includes evidence that the ARRA logo was posted at the project site		x		MDE will confirm as part of an inspection
	Project file includes copies of inspection reports prepared by the State or its representative			x	No inspections performed yet
	Inspections were performed at intervals in accordance with the State's procedures (e.g., monthly during construction, quarterly, etc.)			x	
	ARRA: Inspection reports noted issues or concerns regarding compliance with Buy American			x	
	All issues or concerns were appropriately resolved			x	

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Review Item		Yes	No	N/A	Description/Comments
Inspection	ARRA: Inspection reports noted issues or concerns regarding eligibility for the Green Project Reserve			x	
	All issues or concerns were appropriately resolved			x	
	ARRA: Inspection reports noted issues or concerns regarding compliance with Davis-Bacon requirements			x	
	All issues or concerns were appropriately resolved			x	
	ARRA: Inspection reports noted issues or concerns regarding information previously reported on jobs created and retained			x	
Financial Review	All issues or concerns were appropriately resolved			x	
	CWSRF: State conducted a financial capability review of the recipient		x	X	100% grant funded therefore a financial review is not needed
	DWSRF: State conducted a technical, managerial and financial capability review of the recipient			x	
	ARRA: For projects receiving only partial ARRA funding, the state ensured that the recipient obtained funding to allow for the project to be completed			x	100% ARRA funded
	The assistance recipient is submitting Single Audit Reports [if required]			x	
Loan or Bond Purchase Agreement	The state followed up and/or resolved issues included in the Single Audit Report			x	
	The loan or bond purchase document				Grant agreement
	Is signed by the state and assistance recipient	x			
	Includes a budget and/or description of eligible costs	x			
	Includes the interest rate			x	
	Includes the fee rate [if applicable]			x	
	Includes the repayment period			x	
	Includes an amortization schedule or refers to the date when repayment must begin			x	
	The repayment period is in accordance with the state's policies and procedures (up to 20 years or extended term)			x	
	ARRA: The loan or bond purchase document				
	Includes a provision allowing the state to terminate the agreement if the project fails to proceed in a timeframe consistent with ARRA requirements for all funds to be under contract or construction by February 17, 2010	x			
	Includes the Buy American requirements	x			
	Includes the Davis-Bacon requirements			x	Compliance with all ARRA requirements is part of the grant agreement, but Davis-Bacon is not specifically included.
	Includes the requirement to report jobs created and/or retained			x	Compliance with all ARRA requirements is part of the grant agreement, but job creation reporting is not specifically included.

** Appendix A to DBE rule:

ARRA Project File Review Checklist

For Regional Review of State SRF Programs

Review Item	Yes	No	N/A	Description/Comments
"The contractor shall not discriminate on the basis of race, color, national origin or sex in the performance of this contract. The contractor shall carry out applicable requirements of 40 CFR part 33 in the award and administration of contracts awarded under EPA financial assistance agreements. Failure by the contractor to carry out these requirements is a material breach of this contract which may result in the termination of this contract."				

